



The State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

Representatives Present During the Inspection:

Company	Vicky S. Miller	Environmental Specialist
OGM	Pete Hess	Environmental Scientist III

Inspection Report

Permit Number:	C0070039
Inspection Type:	PARTIAL
Inspection Date:	Monday, February 28, 2005
Start Date/Time:	2/28/2005 11:15:00 AM
End Date/Time:	2/28/2005 2:00:00 PM
Last Inspection:	Wednesday, January 26, 2005

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, 40's F. High clouds; snow forecast.

InspectionID Report Number: 543

Accepted by: whedberg
3/8/2005

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **DUGOUT CANYON MINE**

Address: **PO BOX 1029, WELLINGTON UT 84542**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

7,083.71	Total Permitted
51.11	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The permittee is in compliance with the permit condition included as Attachment "A" of the current State permit (requirement to submit water monitoring data in an electronic form to the Division EDI).

There are no compliance actions currently pending for the Dugout Canyon Mine permit area.

The permitting action for the Pace Canyon fan portal is ongoing. At the present, the DOGM is awaiting comments from the DOI / BLM / PFO relative to this permitting action.

Inspector's Signature

Date Monday, February 28, 2005

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 facsimile (801) 359-3940 TTY (801) 538-7223 www.ogm.utah.gov

Utah!
Where ideas connect™

Permit Number: C0070039
 Inspection Type: PARTIAL
 Inspection Date: Monday, February 28, 2005

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Division discussed two minor amendments with the permittee this day. The first is a need to update the surface facilities map with the concrete storage dock located on the east side of the shop / bath house / administration building. Bond calculations have already been modified to include this reclamation cost. The second needed amendment involves a shortening of the undisturbed bypass culvert (designated UC-6 on Plate 7-5) on the inlet end. Rock debris created by the freeze / thaw cycle has a tendency to block or reduce the inlet cross section area. This debris has been removed several times during inspections. The permittee intends to shorten the inlet in order to locate same farther back from the cutbank. Hopefully, that action will reduce the potential for rock debris to block the inlet. Submittal of this permitting action is pending.

4.a Hydrologic Balance: Diversions

Many of the site's diversions remain under frozen compacted snow (ditches on east side of the Canyon). The permittee has initiated the removal of freeze/thaw debris from ditches which have melted off. Work was being conducted on the ditch designated as DD-8 on Plate 7-5, DISTURBED AREA DIVERSIONS, on this day.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Both the mine site pond and the waste rock pond contained water this day; neither was frozen. The water elevations were well below the primary discharge elevations in both ponds.

4.c Hydrologic Balance: Other Sediment Control Measures

The sediment cleanout trap located across from the east corner of office / shop / bath house was clean and functioning as designed. The sediment cleanout trap located in the lower yard at the end of ditch DD-4 remained covered with snow. Virtually the entire length of ditches DD-3 and DD-4 (east side of Canyon) remain under frozen compacted snow.

4.d Hydrologic Balance: Water Monitoring

Both the left and right forks of Dugout Creek (confluence near the coal stockpile pad) were flowing clear water this day. The channels remain snow covered. Mine water was also discharging from the permitted UPDES outfall.

7. Coal Mine Waste, Refuse Piles, Impoundments

The permittee's contractor was hauling coal mine waste to the permitted waste rock site this day. There did not appear to be any non-coal mine waste in the material.

16.a Roads: Construction, Maintenance, Surfacing

The permittee's contractor was cold patching the "chuck holes" in the road swale adjacent to the mine site sediment pond this day.

Permit Number: C0070039
Inspection Type: PARTIAL
Inspection Date: Monday, February 28, 2005

Inspection Continuation Sheet

Page 4 of 4

19. AVS Check

The Division approved the revised ownership and control information for Canyon Fuel Company (Task ID#2069) on February 8, 2005.

20. Air Quality Permit

The access road between the County road and the waste rock site was being used by heavy trucks this day. The road was in need of watering; the permittee addressed this during the course of the inspection.